

**Agency Activity Inventory**  
**by Agency**  
**Appropriation Period: FY 2007-08**

**Agency:** R08 - Workers' Compensation Commission

**Functional Group:** Transportation & Regulatory

**1323 Administration**

Administration provides support services to all the divisions of the Workers' Compensation Commission. The program provides executive leadership, support, policy development and review, personnel and other human resources activities, facility management, budget and financial management, legal services, information resource management, communications, and overall agency direction. The program also provides information to the general public, including individual employers, employer groups, employees, insurance carriers, attorneys, state agencies and the General Assembly.

**FY 2007-08**

<b>Total</b>	<b>General Funds</b>	<b>Federal Funds</b>	<b>Supp. Funds</b>	<b>CRF</b>	<b>Other Funds</b>	<b>FTEs</b>
\$1,410,968	\$832,992	\$0	\$0	\$0	\$577,976	13.00

**Expected Results:**

Provide all services necessary to maintain the administrative operation of the agency. Prepare the budget, accountability report and annual report according to established timelines. Conduct seminars for the well-being and further training of staff. Provide information and assistance on human resource issues on a timely basis. Provide all requested information on a timely basis. Maintain the claims administration data system and provide technical support when requested.

**Outcome Measures:**

All services are provided to maintain the administrative functioning of the agency. The budget, GAAP reports, accountability report, and annual report are prepared and submitted in a timely manner. Seminars and training sessions are provided for staff development. Information on benefits and other personnel related issues are provided on an ongoing basis. With assistance from the State's CIO, the Commission's information systems are maintained and enhanced on a continual basis.

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**1324 Adjudication**

The Workers' Compensation Commission is a highly specialized, single purpose organization created under Title 42 with three areas that contribute to the overall adjudication of workers' compensation claims: Claims, Judicial, and Insurance & Medical Services. The Commission's mission is linked to its program goals by a common purpose and commitment to the principles of equity, fairness, timeliness, accuracy, and reliability that are fundamentally inherent in a state regulatory system that requires the participation of almost every employer and employee in South Carolina. The Commission manages a system of benefits by holding hearings and informal conferences to resolve contested issues; monitors the management of all claims to ensure that benefits are paid accurately and timely; administers a self-insurance alternative for South Carolina employers; ensures compliance with the Workers' Compensation Act; and establishes medical fee schedules that contain medical costs while assuring access to quality health care. Title 42, Chapters 1 & 3 describe the duties of the Workers' Compensation Commission.

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\$4,077,906	\$2,755,882	\$0	\$0	\$0	\$1,322,024	59.00

**Expected Results:**

Receive and process initial reports of occupational injuries and illnesses, review all claims for completeness and timely payment of all benefits, review settlements for completeness and accuracy, close claims timely and accurately; prepare and schedule unresolved claims for either an informal conference (viewing), hearing or appellate review, make settlement recommendations (viewings) or adjudicate findings (hearings and reviews) to resolve disputed issues, approve settlement agreements, lump-sum awards and attorney fee petitions; and develop and maintain fee schedules for providers of medical services to injured workers, review and approve applications from corporations and prospective funds to self-insure workers' compensation liabilities, monitor the financial condition of self-insured employers and funds, ensure all insurance companies and employers covered by the Workers' Compensation Act comply with its provisions.

**Outcome Measures:**

Review/record accident reports within 2 days of receipt, review initial notices of payment to temporary total within 1 day, review settlements within 1 day, close claims with 3 days of receipt of the Form 19, conduct annual reviews on all open cases; process requests for informal conferences with 5 days, hold 90% of hearings within 120 days, docket appeals within 60 days, process hearing requests within 10 days, hold 80% of informal conferences within 90 days, hold 90% of all requests appellate hearings within 90 days, revise and maintain the Medical Services Provider Manual and the hospital inpatient and outpatient systems as needed, review all contested bills with 5 days, review all applications to self-insure with 60 days, review fund member applications to self-insure within 2 days, collect self-insured taxes within 120 days, maintain employers coverage database and verify coverage within 5 days, perform self-insured audits, and complete compliance investigations within 90 days.

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**1613 Computer Project**

The Commission received funding via the Capital Reserve Fund bill for a multi-year transition to a new computer system. The Commission's former client/server relational database system was designed and installed in 1990 and the technical infrastructure no longer met the needs of the Commission and its clients. The Commission has contracted with the Budget & Control Board's Division of the State Chief Information Officer (CIO) to oversee the implementation of recommendations arising from the CIO's study of the Commission's information system.

**FY 2007-08**

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\$0	\$0	\$0	\$0	\$0	\$0	0.00

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**Expected Results:**

In the initial phase, existing hardware that does not meet State standards was to be replaced with a modern server and peripheral equipment to stabilize the system. In conjunction, the Progress® Database Software was to be upgraded to Version 9 to increase and improve the systems functionality. Outdated desktop hardware, software and associated peripherals all were to be replaced. The Commission will then prioritize and begin migrating existing applications to the new software. In phase two the Commission will conduct a business analysis to identify and implement new business applications and provide for greater electronic data interface with the insurance industry.

**Outcome Measures:**

Establishment of contract between the Commission and the State CIO providing for the management of this multiyear project. That contract has been executed and remains current. Servers and all outdated hardware were replaced and the database software was updated to Progress® Version 10. System stability was achieved during phase one. All current applications have been transferred to the system and the design of new business applications has already begun. System wide failures have been eliminated and any down time has been the result of planned updates to the system. Process times have improved significantly.

**EXPLANATION:**

This activity was funded in the two previous Capital Reserve Fund Bills. \$740,380 remains to fund completion of the second phase of this project.

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**AGENCY TOTALS**

*Workers' Compensation Commission*

<b>TOTAL AGENCY FUNDS</b>	<b>TOTAL GENERAL FUNDS</b>	<b>TOTAL FEDERAL FUNDS</b>	<b>TOTAL OTHER FUNDS</b>
\$5,488,874	\$3,588,874	\$0	\$1,900,000
	<b>TOTAL SUPPLEMENTAL FUNDS</b>	<b>TOTAL CAPITAL RESERVE FUNDS</b>	<b>TOTAL FTEs</b>
	\$0	\$0	72.00